



HP Offers Complete Portfolio of Flexible Financing Options for Small and Mid-sized Businesses

New offers include credit lines, loans, and 0 percent leasing offers

PALO ALTO, Calif., Sept. 6, 2006 – HP today announced new credit lines, loans and promotional lease offers that help to remove the financial barriers and ease the technology buying experience for small and mid-sized businesses (SMBs).⁽¹⁾

With only a \$350 minimum transaction size, HP Financial Services' latest offers are available to even the smallest of customers. Plus, under the new credit line capabilities, customers are automatically pre-approved for the maximum amount for which they are eligible, which in turn provides credit availability for future technology purchases. In addition, a new loan product gives SMBs another financing option that will let them maintain equipment ownership from day one at very competitive rates.

Part of the HP Total Care portfolio, these new financing options are intended to provide SMB customers a differentiated and better experience with HP. They can, for example, take advantage of a new loan offer that allows them to maintain ownership of the technology from the start, as well as credit lines that complement both loan and lease products.

"Each customer has a unique technology need with unique circumstances," said Eileen O'Brien, vice president, Worldwide Small and Medium Business, Personal Systems Group, HP. "Today, we are responding with a variety of affordable financing options that help customers secure the technology they need now with the time they need to pay for it."

Industry analyst firm Yankee Group finds that financing programs make it easy to extend IT solution costs over time, enabling SMBs to manage business finances more effectively and preserve cash for focused, core business initiatives. According to a Yankee Group report, "Vendor Financing Solutions are Gaining Interest in the SMB and Mid-market," more than half of the SMB respondents view the availability of financing options to be at least somewhat important when making purchasing decisions.⁽²⁾

Flexible leasing and financing options

Through Oct. 31, 2006, 4.9 percent financing promotions are available on all HP LaserJet, multifunction, inkjet and large-format printers as well as a wide variety of HP business PCs, workstations and servers.

Additionally, SMB customers can secure promotional rates as low as 4.4 percent on bundled HP BladeSystem and StorageWorks products. These rates translate

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into low monthly payments for 24-, 36-, 48- or 60-month terms. Under the 4.9 percent and 4.4 percent financing promotions, the customer may purchase the financed equipment at the end of the term for just \$1.

Customers also can reduce the cost of obtaining their technology by taking advantage of promotional 0 percent lease rates across various products and terms. With a 0 percent lease rate and 24-, 36-, 48- or (new) 60-month terms on all HP LaserJet, multifunction and large-format printers and HP All-in-One devices, securing a printing solution has never been easier. All other products, including business PCs, offer a 0 percent lease rate with a 27-month term.

After returning the products at the end of the term of the 0 percent lease, customers can easily upgrade to the newest products available.

"As a partner, it is important to act as trusted advisor for the customer by showing them the options available to secure the technology they need," said Chuck Thiel, account manager, Open Systems Technologies. "One of our customers took advantage of HP's 4.4 percent financing offer, which allowed him to easily adopt new technology without the burden of paying for the entire solution upfront. The process was easy and took only minutes to approve."

Speedy and easy approval process

Now, an enhanced credit application process simplifies and expedites the turnaround time for applications for SMBs. In fact, customers receive credit decisions in just minutes on almost every transaction. With a simple one-page application for all financing options, it is easy for customers to secure the technology they need.

Additionally, HP has created a new Rapid Response Center which triples the number of resources dedicated to SMBs and HP channel partners in order to further expedite the approval process.

All products are available directly through HP or its PartnerOne business partners.

More information on HP Financial Services for businesses of all sizes is available at www.hp.com/hpfinancialservices.

About HP

HP is a technology solutions provider to consumers, businesses and institutions globally. The company's offerings span IT infrastructure, global services, business and home computing, and imaging and printing. For the four fiscal quarters ended July 31, 2006, HP revenue totaled \$90.0 billion. More information about HP (NYSE, Nasdaq: HPQ) is available at www.hp.com.

¹ Financing available through Hewlett-Packard Financial Services Company (HPFS) to qualified commercial customers in the United States and is subject to credit approval and execution of standard HPFS documentation. 0 percent lease rate offer is an implicit lease rate, assuming lessee does not exercise a fair market value purchase option at the end of the lease term and timely returns the leased equipment to HPFS at the end of the lease term and disregarding any charges payable by lessee other than rent payments (such as taxes, fees and shipping charges). HPFS reserves the right to change or cancel the programs described in this advisory at any time without notice.

² Yankee Group, "Vendor Financing Solutions are Gaining Interest in the SMB and Mid-market Segments," February 2006.

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